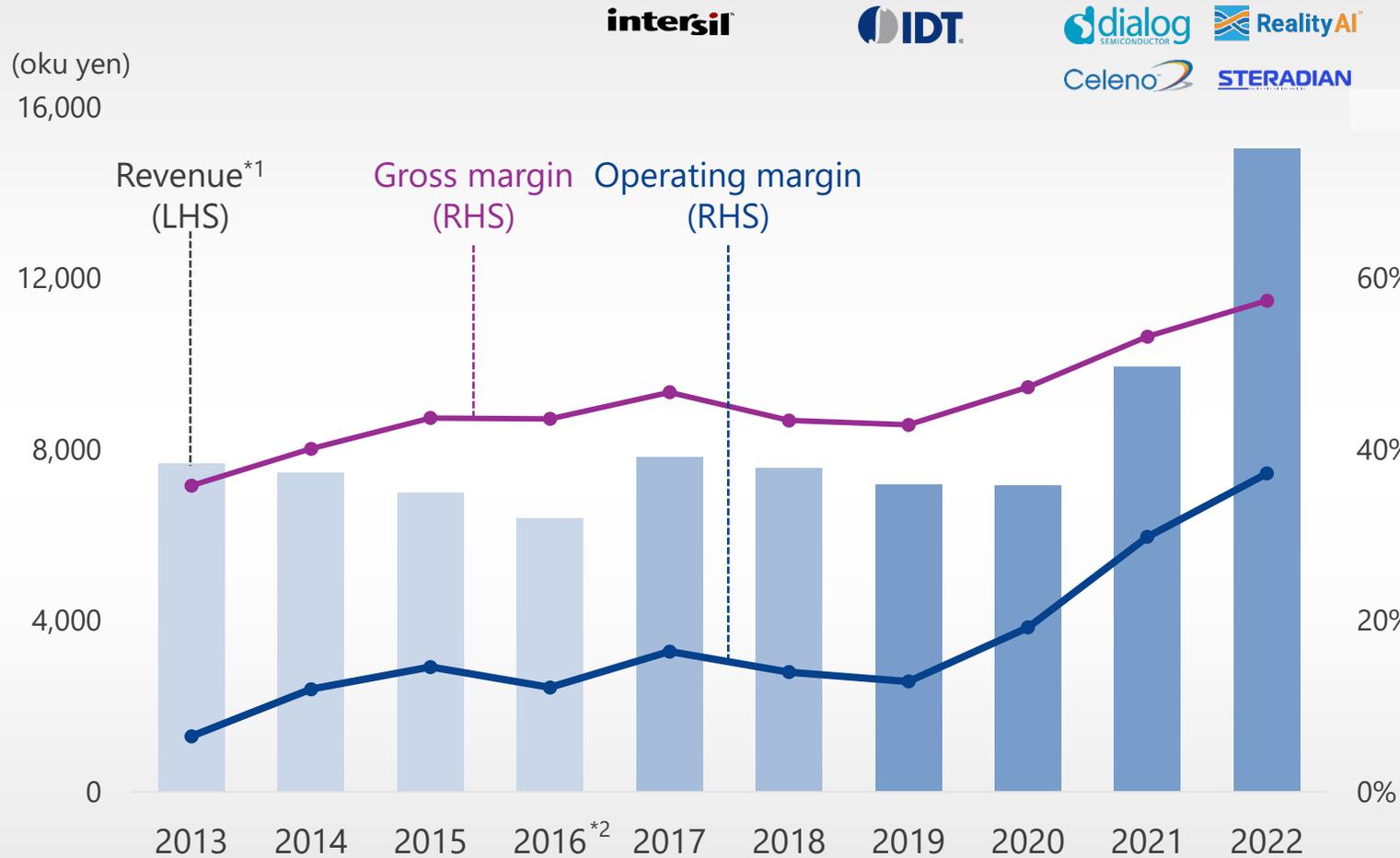


STATE OF THE COMPANY

MAY 19, 2023

HIDETOSHI SHIBATA
PRESIDENT AND CEO
RENESAS ELECTRONICS CORPORATION

OUR JOURNEY



Record high
Revenue, GM, OM

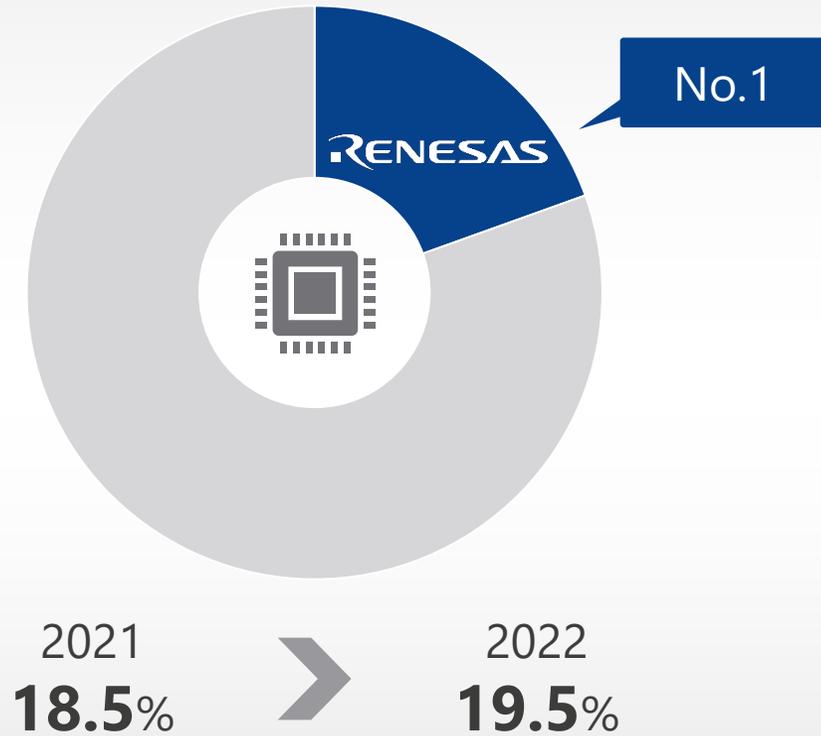
Acquisition
RealityAI, STERADIAN

Recognition
GSA Where Leaders Meet, PORTER PRIZE

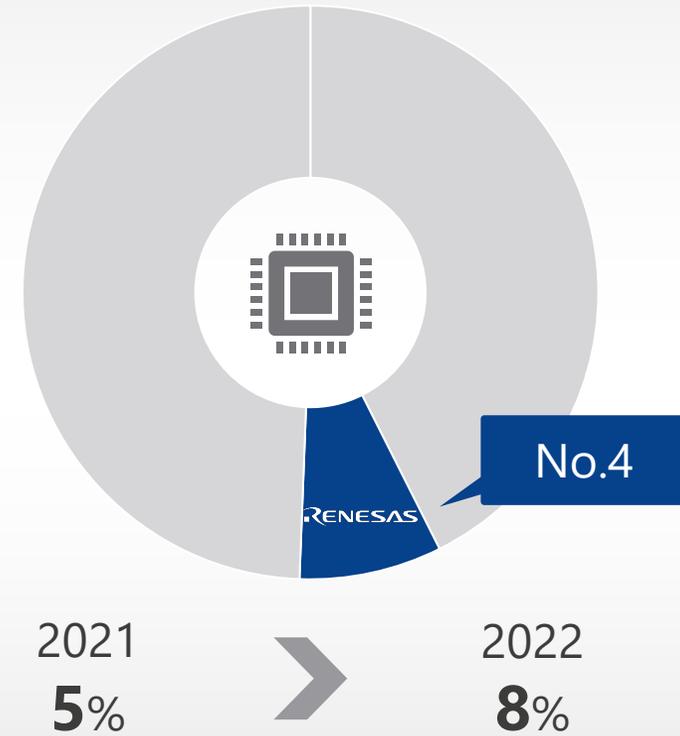
*1: JGAAP/Non-GAAP 2013 thru 2017, IFRS/Non-GAAP 2018 and onwards. Revenue of Intersil consolidated from March 2017, IDT from April 2019, Dialog from September 2021, Celeno from January 2022
*2: Fiscal year changed in 2016. 2015 corresponds to April 2015 thru March 2016, and 2016 to January thru December 2016

EXPANDING EMBEDDED COMPUTE FRANCHISE

MCU (excl. 8 bit)



64 bit MPU



Graphs created by Renesas based on Gartner Research. Calculations performed by Renesas Source: Gartner®, Market Share: Semiconductors by End Market, Worldwide, 2022, Andrew Norwood et al., 31 March 2023, MCU = Total Microcontroller(16bit & 32bit). GARTNER is a registered trademark and service mark of Gartner, Inc. and/or its affiliates in the U.S. and internationally and is used herein with permission. All rights reserved. Gartner does not endorse any vendor, product or service depicted in its research publications, and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

Source: Renesas estimation

OUR PURPOSE

To Make Our Lives Easier
by complementing human capabilities



OUR PURPOSE

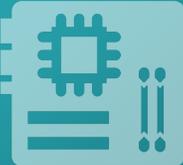


STRATEGIC AGENDA

More emphasis on growth



Solution focus



UX enhancement



Diversification



Fab lite



Renesas Culture



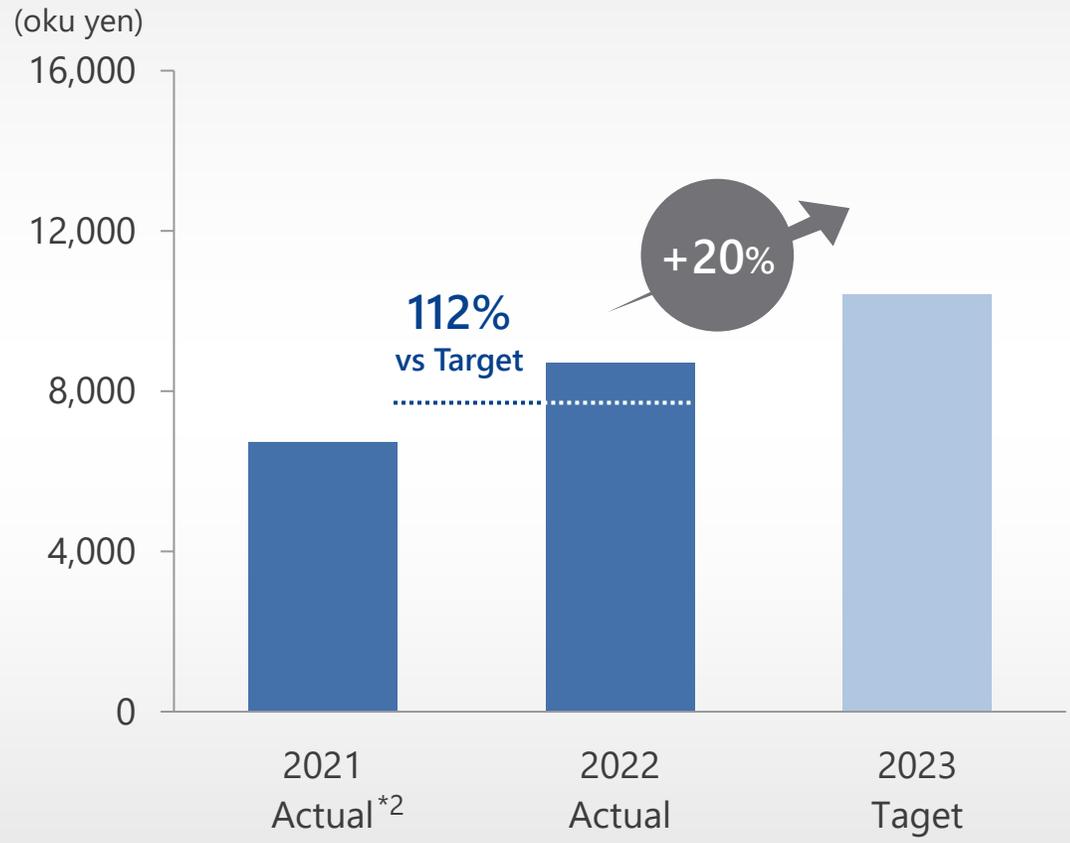
ESG



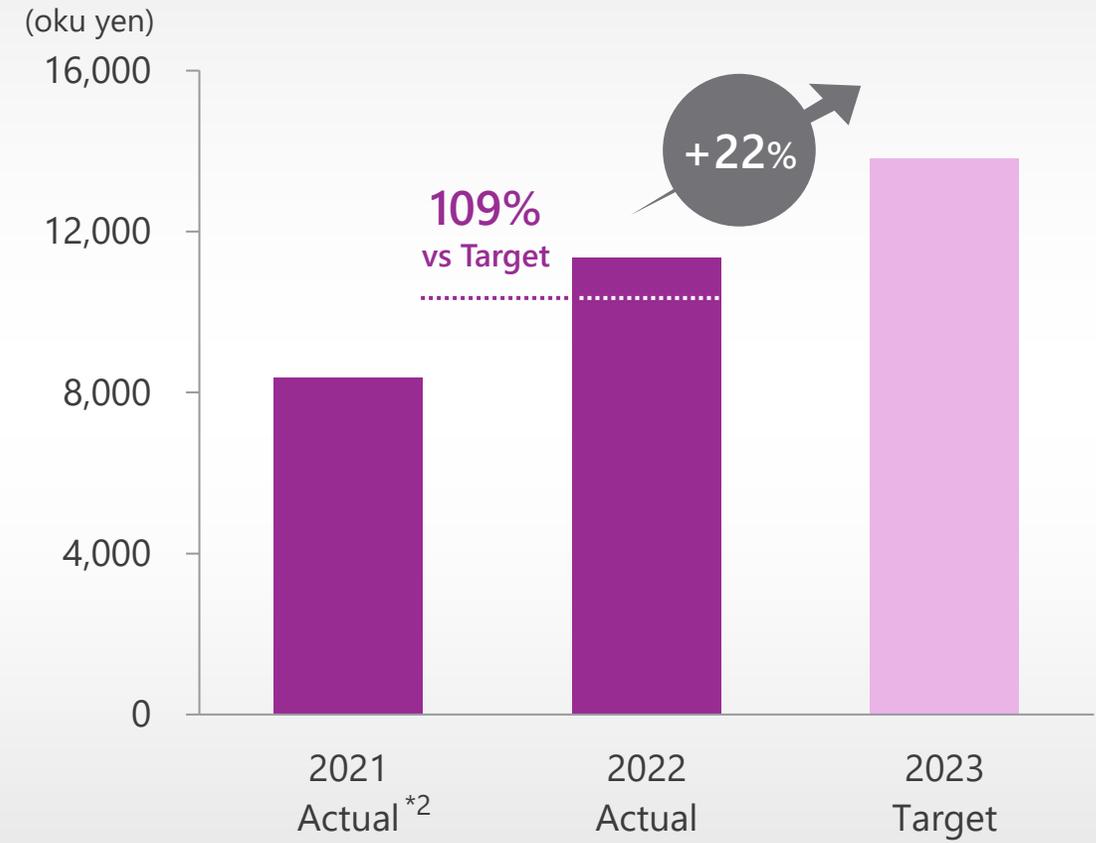
DESIGN-IN PROGRESS



Automotive*1



Industrial, Infra and IoT*1

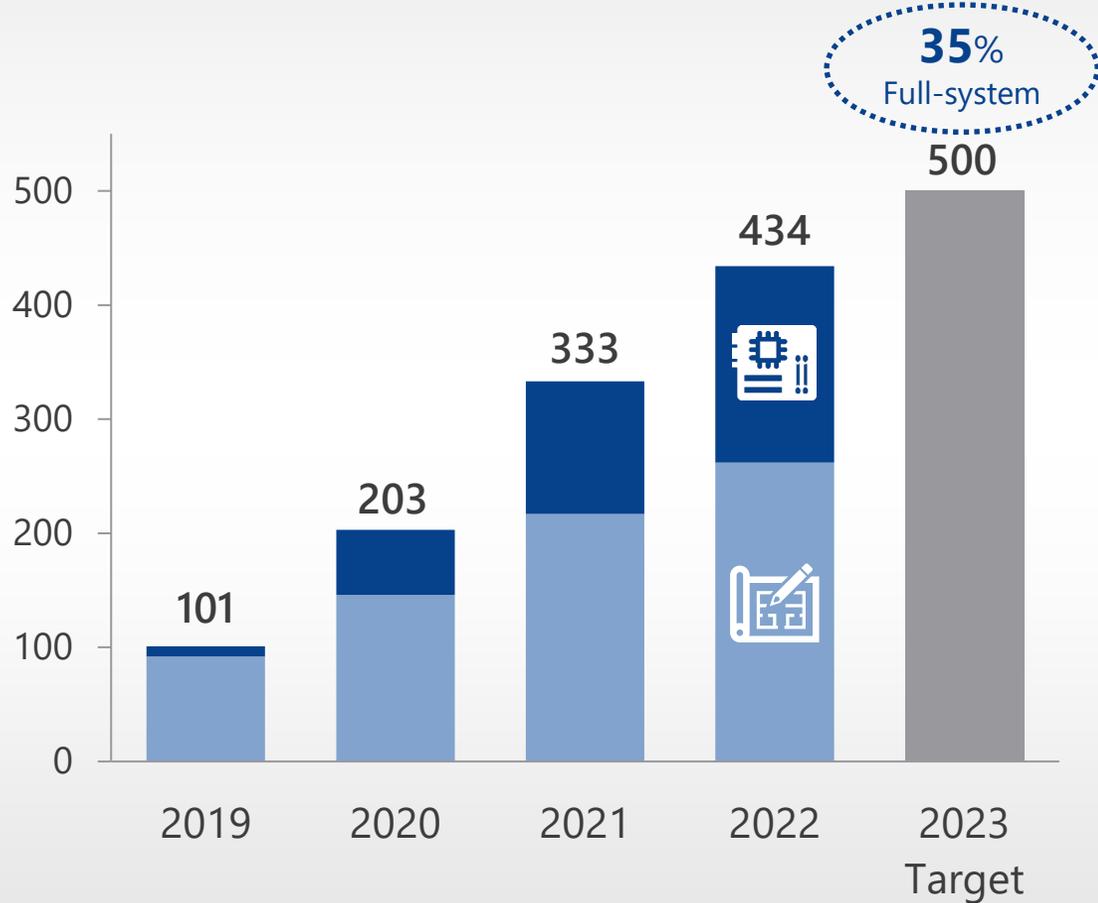


*1: 1USD=100 JPY, 1EUR=120 JPY *2: Proforma (Dialog included, Celeno not)

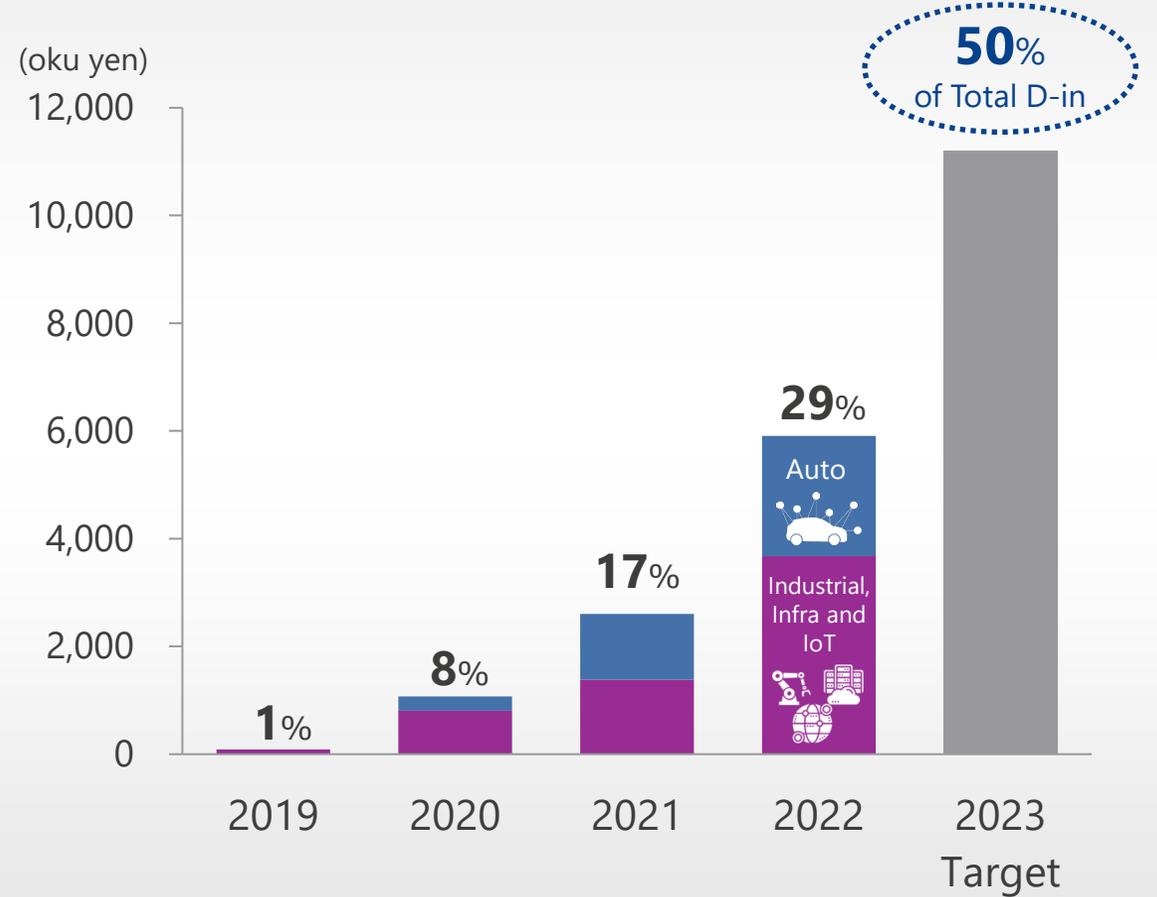
SOLUTION FOCUS – WINNING COMBO



Cumulative count



D-in LTV*1



*1: Calculated only analog products for HPCSG in 2020, Calculated at 1USD=100JPY for EPSG

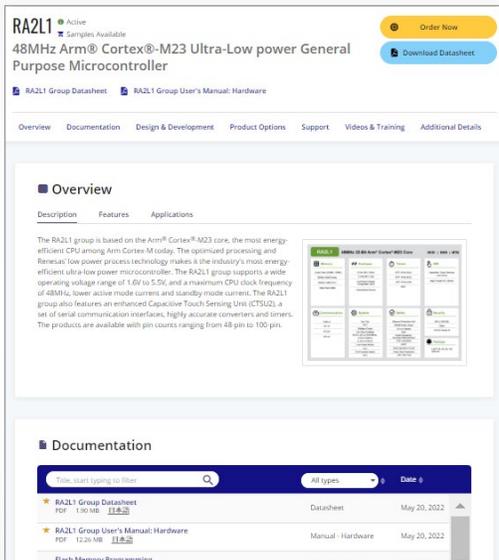
UX ENHANCEMENT



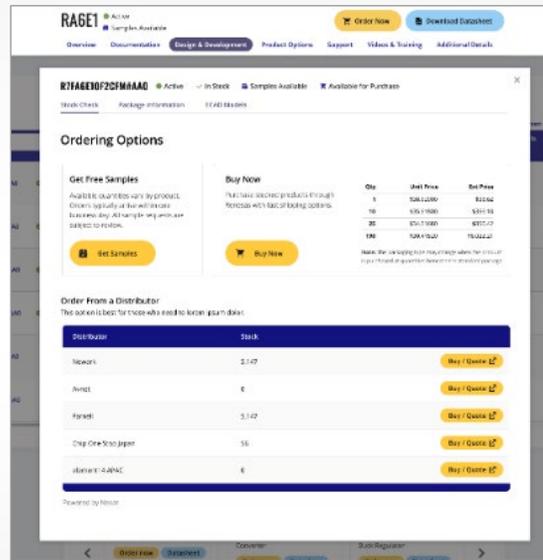
Renesas.com

2022

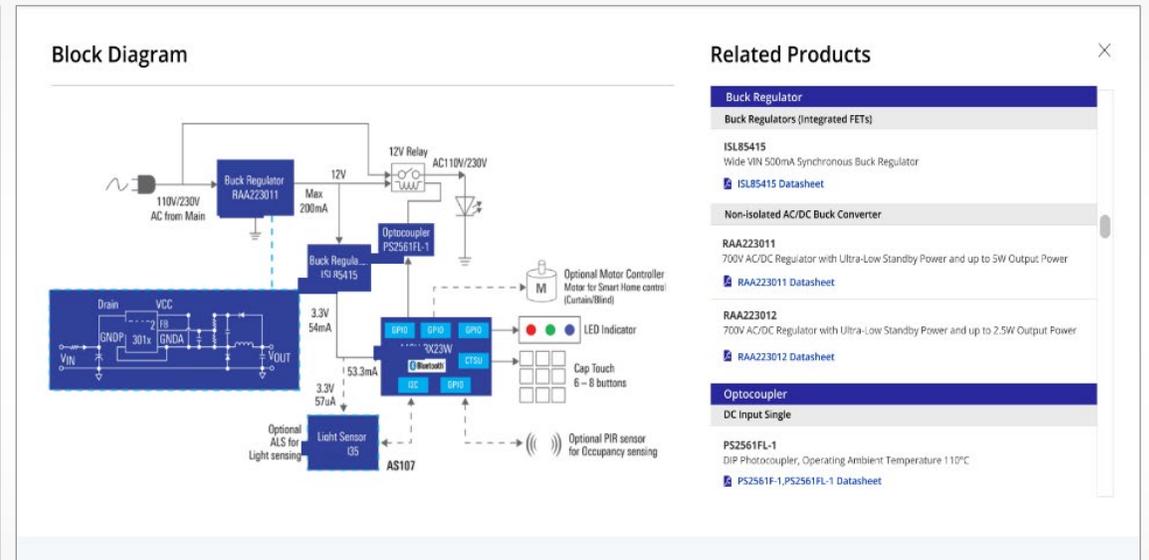
New in 2023



Website redesign

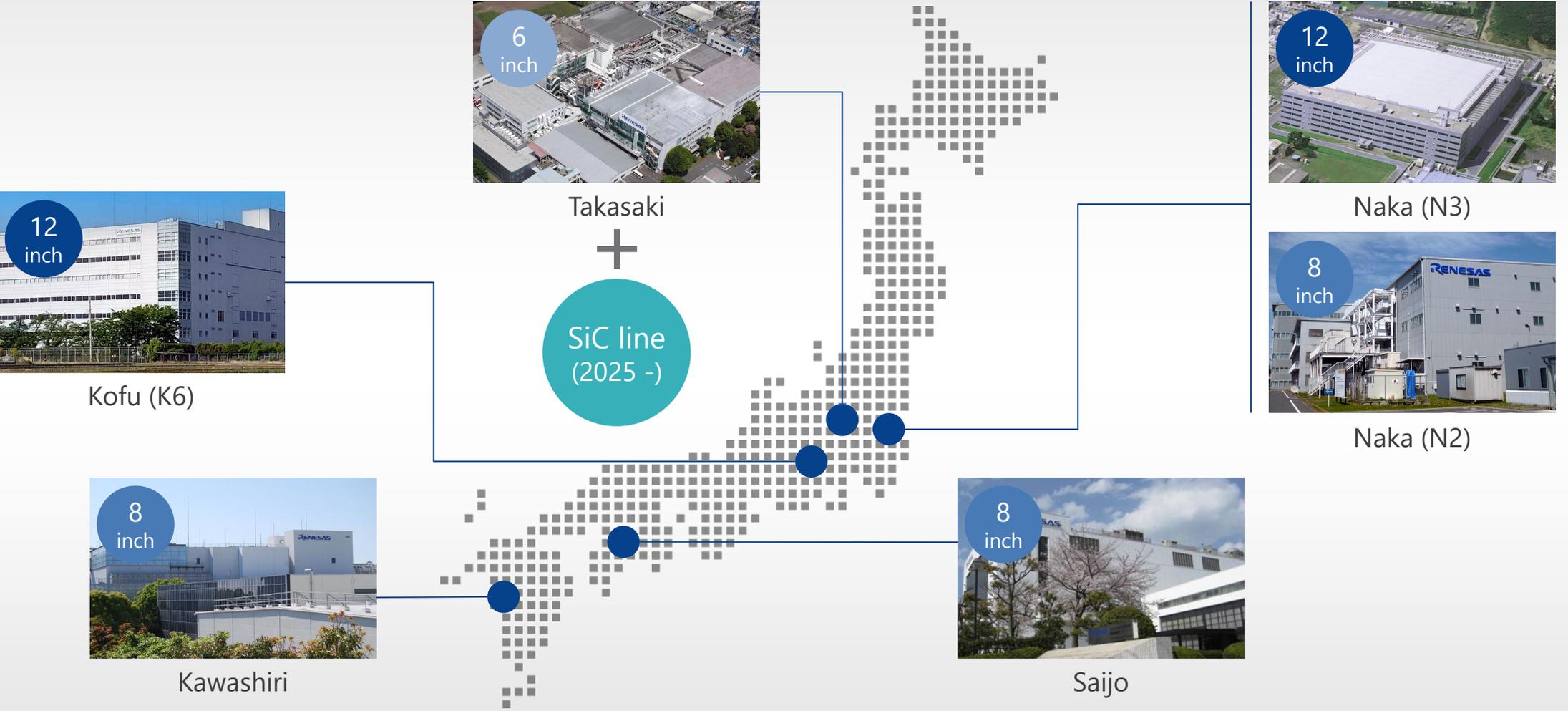


E-commerce



Interactive block diagrams

PRODUCTION FOOTPRINT (FRONT-END)

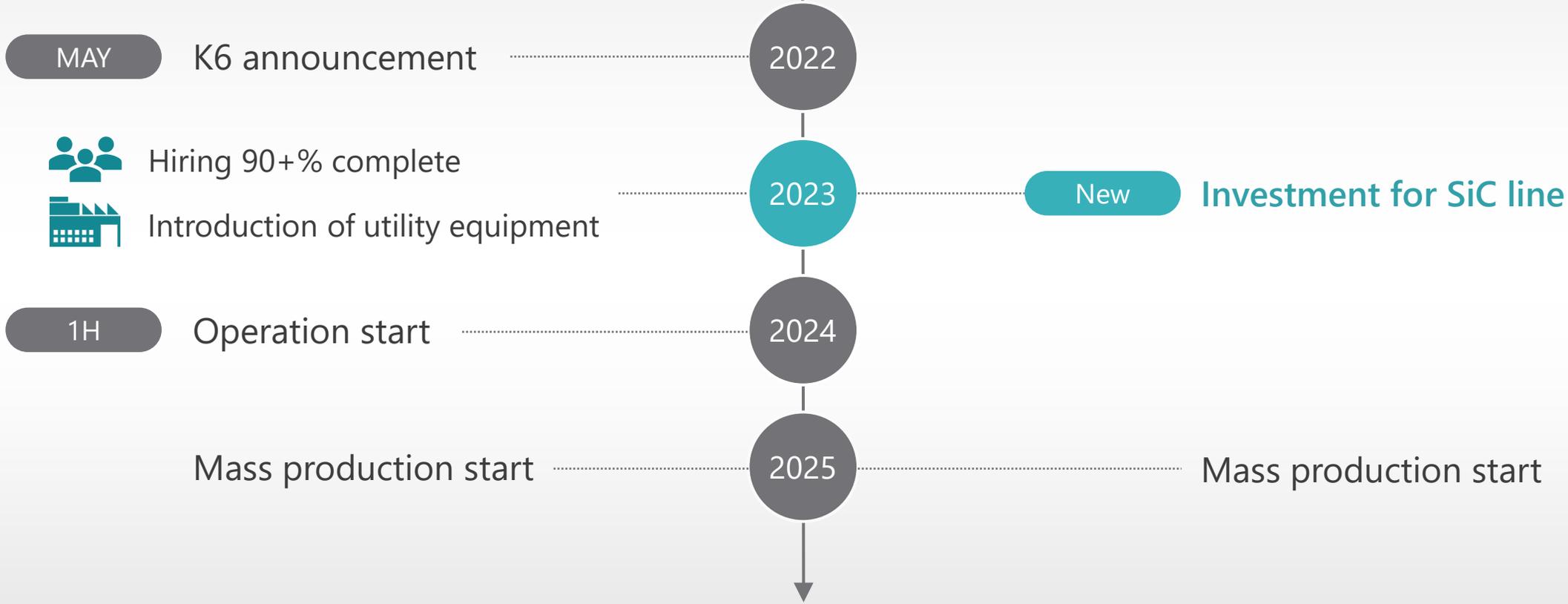


PROGRESS UPDATE ON POWER

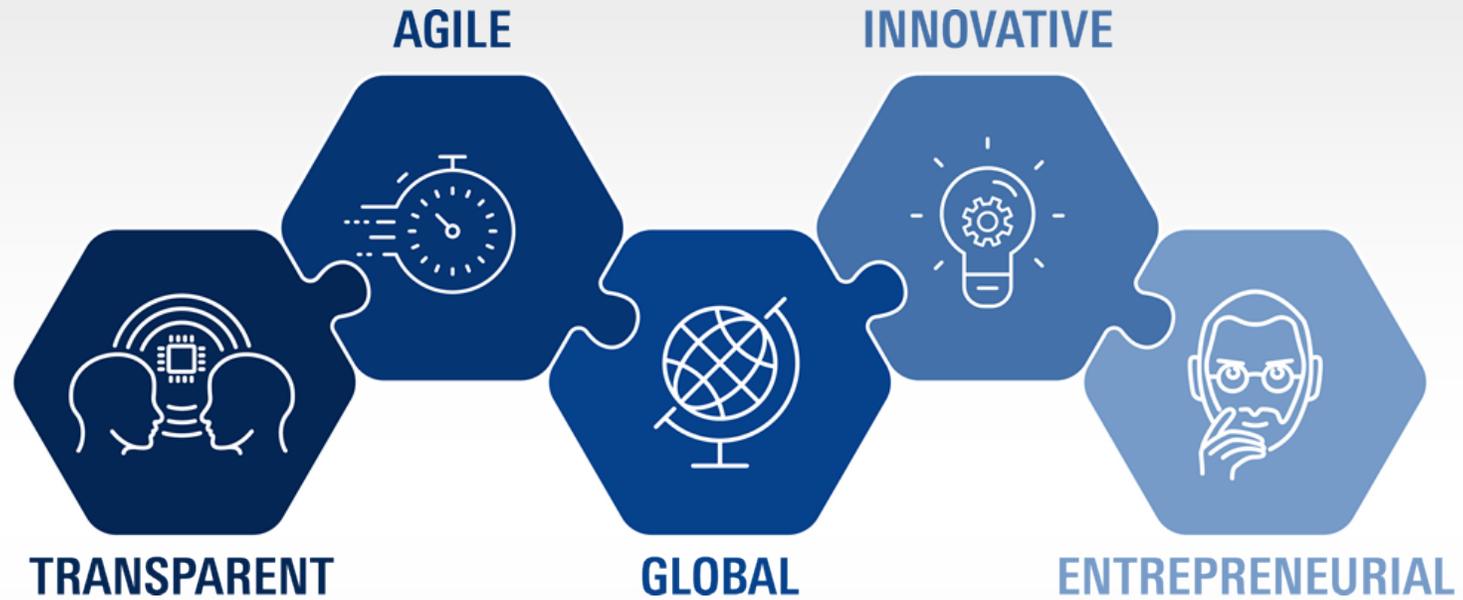


IGBT

SiC



RENESAS CULTURE



- Be open to share knowledge across borders
- Delivering of honest and constructive feedback
- Open and honest communication
- Strengthen relationship

- Asking questions
- Speak up
- Act quickly and decisively
- Being adaptable to change
- Iterative approach
- Collaborative approach

- Adapting communications
- Understanding your audience
- Collaboration with others

- Critical thinking
- Championing new ideas
- Try new ways of working
- Action-oriented behavior when approaching a task
- Growth mindset

- Be accountable and take responsibility in the workplace
- Be alert to emerging issues and trends
- Problem-solve to overcome obstacles

2023 RENESAS CULTURE SURVEY



20,645 (92%) response; 4,448 comments

TAGIE Strengths

Transparent
Entrepreneurial

TAGIE Opportunities

Agile
Global
Innovative

TAGIE Progress

69% felt
'TAGIE has improved in the last 12 months'

Engagement Opportunities

Employee experience

- Well-Being
- Collaboration

The 2023 Global Renesas Culture Survey was conducted in May 2023

PROGRESS OF ESG JOURNEY



Environment

Social

Governance

Index / disclosure



Good

Climate
Semiconductor Climate Consortium

Water

Waste

Supplier audit
CDP SUPPLIER ENGAGEMENT LEADER 2022

Human rights

Conflict mineral (3TGs)
RESponsible Minerals Initiative

Supplier engagement

Conflict mineral (cobalt & mica)

Board diversity

ESG metric to Comp

FTSE Blossom Japan Sector Relative Index

FTSE Blossom Japan

FTSE4Good

MSCI AA

work with Pride

WIP Gold 2022

2022 Sustainability Report

Sustainability Report



In progress

ISO 45001 (H&S)

HR KPI setting

Gender pay gap

Compliance training

Information security

SUSTAINALYTICS

Dow Jones Sustainability Indexes

2022 highlights

Compared to peers with MSCI ESG rating of AA or AAA

PROGRESS TO DATE

	2019	2020	2021	2022	Mid-term model*1			
	Adjusted*1	Adjusted*1	Adjusted*1	Adjusted*1	Total	Automotive	Industrial, Infra and IoT	
Revenue	6,204 oku yen	6,357 oku yen	8,894 oku yen	12,282 oku yen	➤	Grow @SAM+ ✓	Grow @SAM	Grow @SAM++
Gross margin	43%	48%	54%	56%	➤	50-55% ✓	≈45%	≈60%
Operating margin	12%	19%	29%	35%	➤	25-30% ✓	20-25%	30-35%

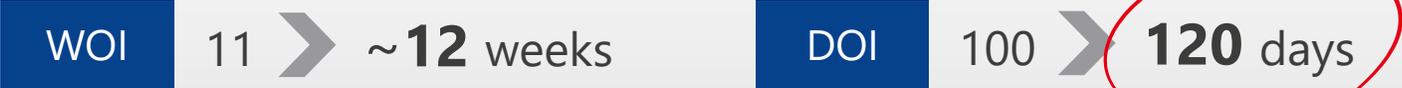
*1: FX 1USD=100yen, 1EUR=120yen. Excluding 6" fab shutdown & structural reform-related EOLs. Excluding NREs

INVENTORY MODEL

	Die bank	Inventory	Lead time
MCU & MPU		++	-
Analog Power		+	-
Custom	Case by case		



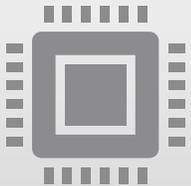
Inventory target



DOI: Days of Inventory WOI: Weeks of Inventory

2030 ASPIRATION

Top **3**



Embedded semi solution suppliers

\$**20+** bn



Revenue

6_x



Market cap vs 2022

$$2 \times 3 = 6$$



Execution of mid-term plan

×



Valuation gap-fill

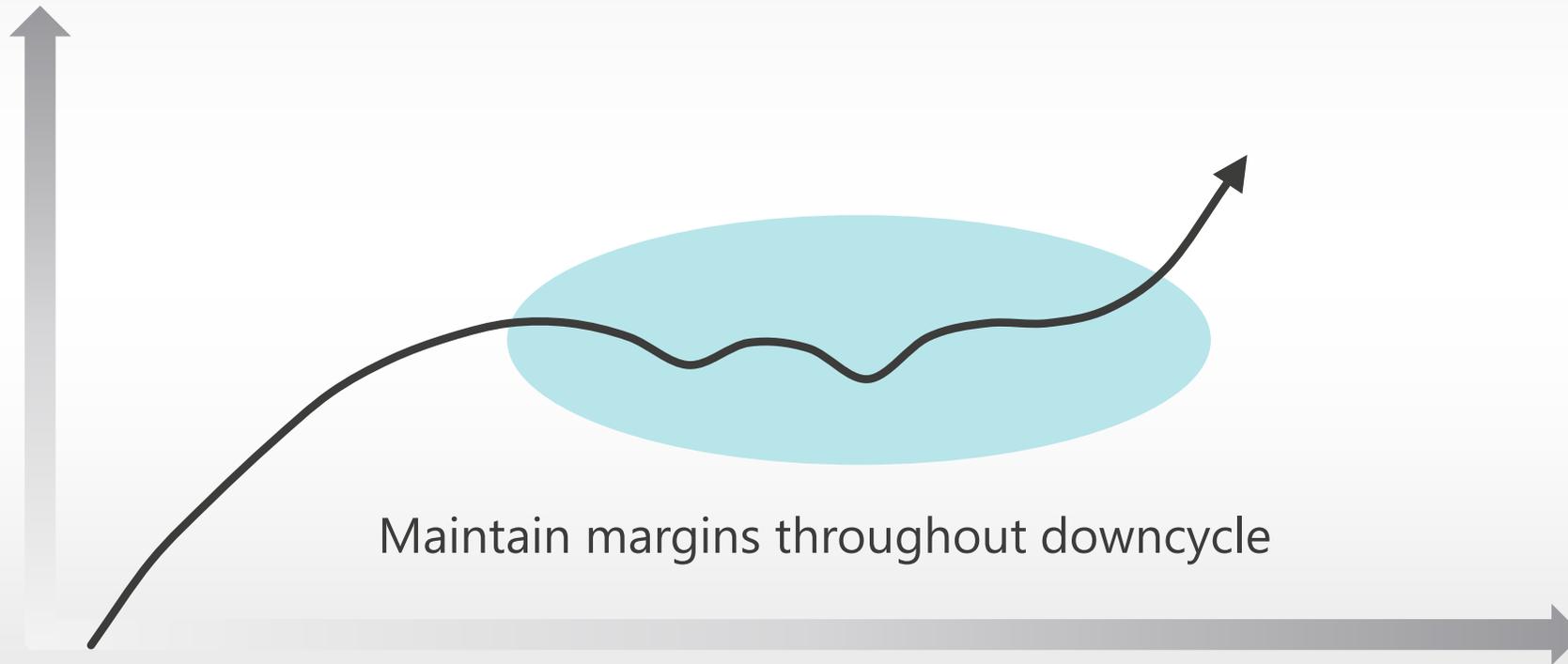
Multiple expansion

=

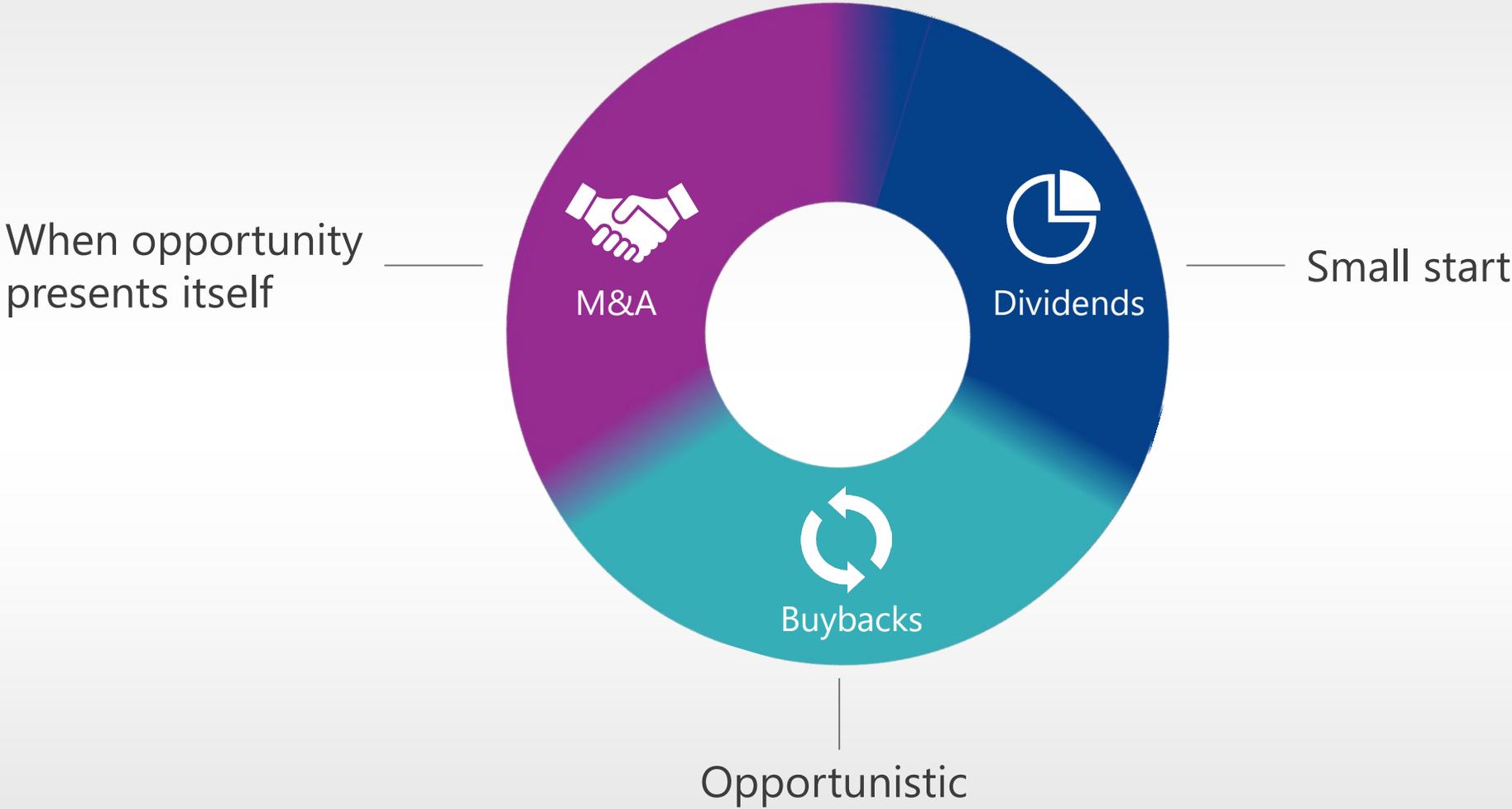


DOWNCYCLE MANAGEMENT

Forge ahead profitably and emerge stronger



CAPITAL ALLOCATION





ROAD TO 2030 ASPIRATION



xSG collaboration



Digitalization

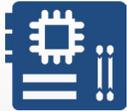
X-SG COLLABORATION



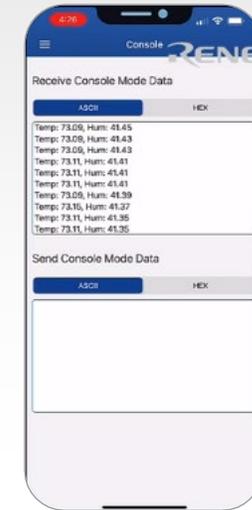
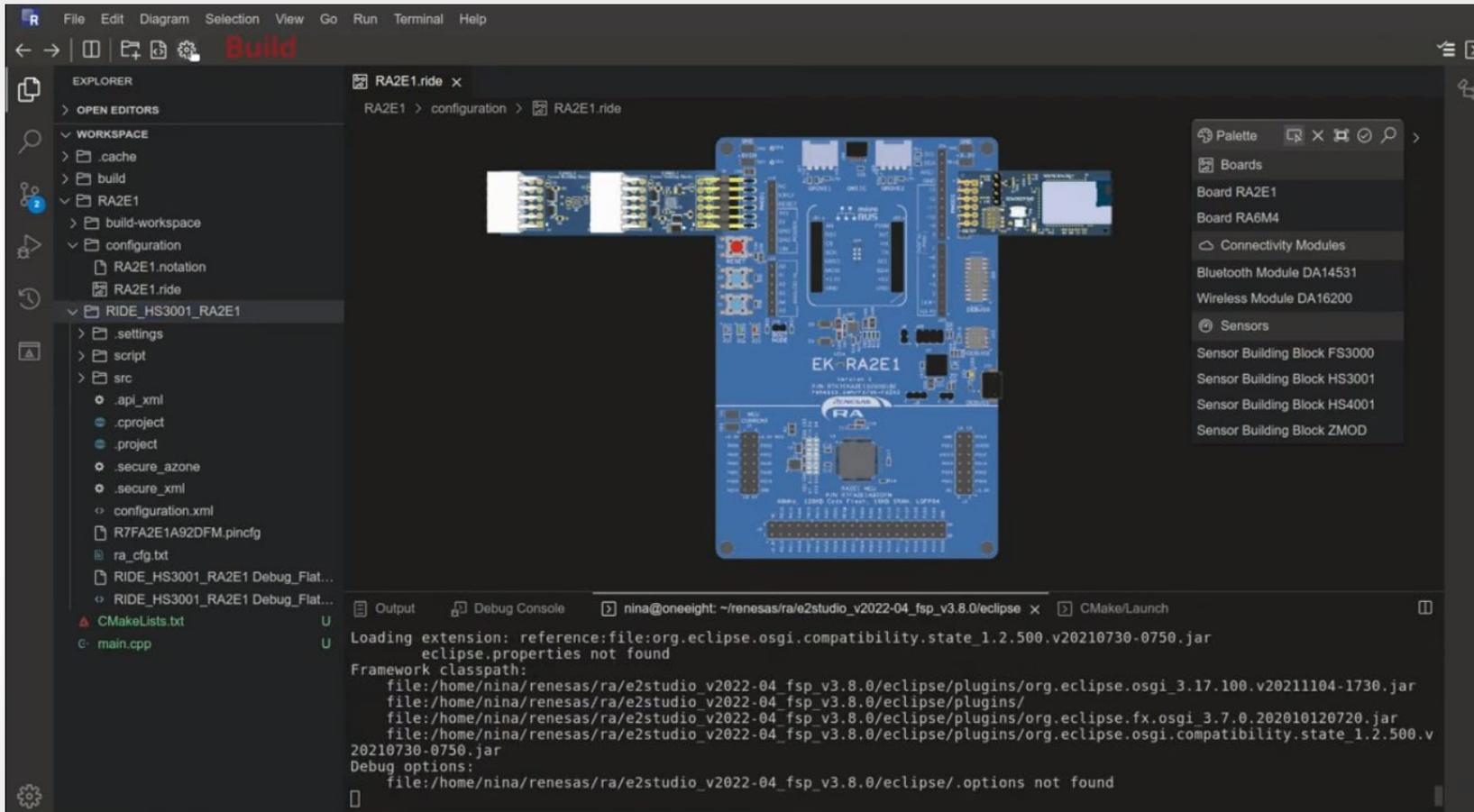
2023 xSG target


D-in LTV
2.5x
 (vs 2022 results)


Winning Combo
60%
 (of total WC)


Full-system solution
50%
 (of xSG WC)

DIGITALIZATION



Quick-Connect Studio

SUMMARY



Forging ahead profitably to emerge stronger..

While leveraging all we have...

To proceed through initial chapter of new journey

.... to make our lives easier





THANK YOU

(FORWARD-LOOKING STATEMENTS)

The statements in this presentation with respect to the plans, strategies and forecasts of Renesas Electronics and its consolidated subsidiaries (collectively "we") are forward-looking statements involving risks and uncertainties. Such forward looking statements do not represent any guarantee by management of future performance. In many cases, but not all, we use such words as "aim," "anticipate," "believe," "continue," "endeavor," "estimate," "expect," "initiative," "intend," "may," "plan," "potential," "probability," "project," "risk," "seek," "should," "strive," "target," "will" and similar expressions to identify forward looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions. These statements discuss future expectations, identify strategies, contain projections of our results of operations or financial condition, or state other forward-looking information based on our current expectations, assumptions, estimates and projections about our business and industry, our future business strategies and the environment in which we will operate in the future.

Known and unknown risks, uncertainties and other factors could cause our actual results, performance or achievements to differ materially from those contained or implied in any forward-looking statement, including, but not limited to: general economic conditions in our markets, which are primarily Japan, North America, Asia and Europe; demand for, and competitive pricing pressure on, our products and services in the marketplace; our ability to continue to win acceptance of its products and services in these highly competitive markets; and movements in currency exchange rates, particularly the rate between the yen and the U.S. dollar. Among other factors, a worsening of the world economy, a worsening of financial conditions in the world markets, and a deterioration in the domestic and overseas stock markets, would cause actual results to differ from the projected results forecast.

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